

# Evaluating Relationship between Islamic Store Image and Malay Muslim Consumer Attitudes' in Patronizing a Store

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**Abstract**— The growing of religious consciousness among Muslim consumers is become an introductory factor for the new concept of businesses that concern with religious values expand in the market. Retailer must realize that Muslim consumer must be treat as a niche market for the reason that, they have their own evaluation in patronizing a stores. The effect of Islamic lifestyles in the marketing environment had urge retailer to complement their marketing strategy to be suit with Islamic attributes. The religiosity adherence among Muslim consumers may affect the patronage behavior of the store. With the changing behavior among Muslim consumer, thus, this study intends to examine the influence of Islamic store image on Muslim consumer attitudes. The study was done in several states of Malaysia by cluster sampling. A number of customers were asked to complete the questionnaires by mall intercept method. Finding of the study found that, Islamic store image have a significant impact to the patronage behavior of the Muslim consumer in patronizing a store in Malaysia. As a conclusion for this study, Islamic image of the store significantly become major determinant towards Muslim customer in patronizing a store. Customer feel more confident by considering store image as it give a first impression towards the expectation of the halal status.

**Keywords** -Muslim consumer, store attributes, Islam, religious, Malaysia.

## 1. Introduction

The emerging of various retail store format are influence by continuous competition in a market shares in retail environment and the changing consumer's lifestyle in their choice decision of patronizing a retail store [22]. As Muslim consumers are moving towards

the religious consciousness in their daily lives, indirectly it will create an opportunity for the new retail format to be emerged in the market. The rapidly growth of the new concept of business, such as halal market has experienced a significant increase of 80% of the halal sales in a world in 2012 [6]. In regard to high demand for the halal product, the adoption of a new retail format has increased in certain part of a world and shows a significant shift from small traditional market to high volume retail outlets in certain part of a world. With the significant growth of the new retail store format that is tailored to Muslim consumers, the trend start to expand in Malaysia market which is not only offered halal product but also include the Islamic approach of business values.

Currently, many businesses today use Islamic approach as a strategy to attract Muslim customer. For instance, retail outlet using Arabic word, Islamic color, Islamic appearance as a trend of their businesses strategy. The changing behavior of muslim consumer to Islamic lifestyles had give an impact towards the shift paradigm of the businesses identity. Thus, this study examine the impact of Islamic retail image on Muslim consumer attitudes specifically in patronizing a store.

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## 2. Literature Review

Increasing competition in the Malaysia grocery market is causing retailers to find new ways to differentiate themselves and gain a competitive position in the mind of consumers to improve store loyalty. Since the impact of Islamicism in the 1970s, it has created a changing need in Malaysia customers in selecting grocery retail stores, hence, it has created a new way of doing business in the marketplace. Starting with banking industry which offering Islamic compliance that follow syariah principles, the trend of Islamic businesses approach has started to grow in the market.

Even though, there are varieties of large retail stores in the market, however with the effect of Islamicism Muslim consumers are more concern in selecting retail store to patronizes. Recently, there are a numbers of retail store exist in the market to penetrate the market of Muslim consumers. There are special unique attributes derived in this store to make the customers feel more confident of Islamic practices and the “halalness” of the product. A further discussion in this paper will further explain the store concept.

## 3. Patronage Behavior

Several attempts have been made to examine patronage behavior of the consumers towards a store [1,4,7,8,11,18] . Patronage behavior involved decision processes that related to where, how and what people shop. The process starts with identifying patronage motives, which are influenced by retailer’s attributes, and consumer characteristics and choices. Moreover, the decision process is also derived from customer perceptions and attitudes from experiences, needs and information concerning a store. In addition to evaluating a store, consumers may also evaluate stores with respect to specific store attributes. Various attributes of the stores (such as merchandise, prices, and store ambience) are likely to have implications for the development and strength of retail patronage. Customers will keep patronizing the retail store if the valence attributes fit with

the important attributes that they are seeking for.

However, regard to indifference findings, marketing literature identified that religiosity of the consumer influence towards consumer behavior need to be further investigated. Some studies supported that it is important to study religion because it influences purchasing and patronage behavior [10]. For example from the previous studies, scholars have indicated that religion had influenced relation to messages perceived, consumption patterns, family decision-making, purchase risk aversion and selected retail store patronage behavior [10,21,23]. Religion also influences values, habits and attitudes, and influences lifestyles and affects consumer decision behavior [2,5,20]. It has become one of the most cultural forces in influencing buyer behavior.

The Islamic retail store is refer to a comprehensive Muslim made product which is not only halal but tayyib and concern about Islamic values in conducting their business. The mission of the store is to provide Muslim made product which is come from the reliable sources. The store appearance of the staffs is according to Islamic dress code as instructed in Islam. A further explanation of the store are listed below:

1. The tenets of Islam is priority in their management
2. All products have halal status and issues by Muslim producer
3. The priority of the product is towards Muslim entrepreneur who obtain halal status.
4. All levels and staff must perform prayer as a mandatory requirement in Islamic retail store.
5. All staff must keep their dressing code as prescribed in Islam.

Instead of the unique definition of Islamic retail store, they also have their own mission and responsibility towards Muslim consumer as listed below:

1. The store is responsible to serve halal and pure (halalal tayyibba) product to the society.
2. The store must be the main source of halalal tayyibba food.
3. The store is become a model towards Muslim entrepreneur who want to create Islamic business approach.
4. As a platform to help Muslim entrepreneur to market their product
5. The store will not abate to sell haram product and produk syubhah.

## 2.4 The characteristics of the store

### 2.4.2 Islamic Store images

In many marketing studies, store image has an impact on the patronage of a store [6, 17]. People will spend a longer time in the store that has a pleasant environment. The pleasant environment of the store is related to pleasurable music, suitable lighting, and an attractive interior and exterior of the store. This also applies to most large-scale store retailers as well, as they believe a good store atmosphere will keep people patronizing a store.

However, Muslim consumers are more influenced by Islamic retail store image that portray Islamic store environment, especially in the type of music played in the store, modest outfits according to Islamic dress code and the environment of the store which give more attention of Islamic holy day and religious activities. Usually Islamic retail stores will play Islamic music, such as nasyid, which is lawful because it guides people to recite poetry or verses with high and low vocal inflections as zikir to Allah [17]. This kind of music is allowed in Islam, and it may attract devout Muslim who have their own preferences for the type of music they listen to, and only accept more religious music [3].

## 3.2

## 3.0 Research Methodology

The research data was collected in several states of Malaysia by using cluster sampling. The study decided to use cluster sampling as it is difficult to list population elements that are costly or impossible. For example, it may not be possible to list all of the customers of a chain of Islamic retail stores. However, it would be possible to randomly select a subset of stores (stage 1 of cluster sampling) and then interview a random sample of customers who visit those stores (stage 2 of cluster sampling).

For the purpose of this study, a simple random sampling method was used to select ten percent of the total Islamic retail store from the recent list of the Muslim Consumer Association known as PPIM (Persatuan Pengguna Islam Malaysia). The next step of the study was to create a directory of retail stores in the specified areas. There are approximately 114 types of store listed in various states in Malaysia as at 2012: Pahang (2), Kedah (3), Kelantan (3), Terengganu (3) and Selangor (3). Based on the total number of stores, approximately 14 stores were selected randomly to represent the sample of the study. The study only considered 14 stores as these stores matched the criteria such as easy access in term of location, the owner of the store is approachable, safe for the researcher to conduct mall intercept, the store is established and sustain in more than five years and the store must fulfill the operational definition of an Islamic retail store. Then, a simple random sample of customers was selected to accomplish the questionnaires.

## 4.0 Data analysis

The data of the study was analyzed by using smart PLS 2.0. The analysis involved two stage processes: first the assessment of the reliability and validity of the measurement model and secondly the assessment of the structural model.

## 5.0 Finding

### 5.1 Assessment of the measurement model

In this study, the measurement model's convergent validity is assessed by examining its average variance extracted (AVE) value. Convergent validity is adequate when constructs have an average variance extracted (AVE) value of at least 0.5 or more. Result of the AVE for every constructs is acceptable with all the value is above 0.5. Thus, the measurement model can be proceed with convergent validity.

Convergent validity can be check by assessing factor loading, composite reliability and average variance extracted (AVE) of the constructs. In statistic, convergent validity is needed to evaluate the possibilities and the

ability of the items to correlate with other items under the same construct.

Table 1 exhibits the convergent validity

Model Construct	Measurement Items	Loadings	AVE	CR
Islamic Image	b9	0.741	0.5564	0.8336
	b10	0.736		
	b11	0.714		
	b12	0.790		
	b17	0.716		
	b18	0.698		

which revealed all items loading.

Table 1: Convergent validity assessment result

The results verify that the construct used in this study Islamic image (b8,b13,b14,b15,b16) has totally fulfilled the need of convergent validity and shows that the construct is able to measure the concepts of the study.

Table 2: Discriminant Validity of

Constructs Note: The diagonals values represent the square roots of the AVE while the other entries represent the squared

	HALA L	HU	IA	ISV	PB	PM
HALA L	<b>0.729</b>					
HU	0.496	<b>0.796</b>				
IA	0.412	0.322	<b>0.746</b>			
ISV	0.720	0.585	0.503	<b>0.721</b>		
PB	0.298	0.430	0.364	0.392	<b>0.779</b>	
PM	0.585	0.591	0.367	0.463	0.349	<b>0.713</b>

correlations

Discriminant validity constructs showed that all square roots of AVE exceeded the off-diagonal elements in their corresponding row and column. The bold elements in Table 5.1.2 represent the square roots of the AVE and non-bold values represent the intercorrelation value between constructs. Based on table, all off-diagonal elements are lower than square roots of AVE (bold on the diagonal). Hence, the result confirms that the Fornell and Larker criterion is met.

### 5.2 Hypothesis Testing

Islamic store image found to have a significant relationship towards patronage behavior. The Islamic image is more acceptable an attracting people to the store. The relationship of the two variables are relatively significant at ( $\beta=0.166$ ,  $t\text{-value}=2.3459$ ,  $p<0.01$ ).

Table 3: Testing relationship of independent

Hyphotesis	Beta	Standard Deviation (STDEV)	T value ( O/STER R )	Decision
H1 I A -> P B	0.166	0.0706	2.3459**	supported

variables and dependent variables

\* $p < 0.05$ , \*\* $p < 0.01$

## 6.0 Discussion and Conclusion

The results of the analysis show that the hypothesis has a significant effect towards Muslim behavior indicating that an Islamic store image acts as a significant determinant of store patronage. It seems possible to speculate that the proposed hypothesis is supported and can be accepted in this field of study.

This finding is in general agreement with previous studies [12,15] in which consumers are attracted towards Islamic store image and atmosphere. Muslim consumers feel more confident to choose Islamic stores which portray an Islamic image as they feel trustful of the service provider's degree of adherence to Islamic principles [9,13,14]. This consistent finding between the present study and the previous studies suggests that the effect of Islamic image on consumer behavior is replicable among Muslim consumers in Malaysia.

An Islamic image plays an important role as it can give a positive impression on the degree of adherence to Islamic rules and laws by the store owner. Consumers are attracted by Islamic symbols or Arabic words, a pleasant environment which plays religious music such as nasyid, zikr, and other material that can relate to an Islamic image [19]. Indirectly, it

will attract Muslim customers to the store and affect their store patronage.

Based on the result, there is changing behavior among Muslims in Malaysia. Muslim consumers are moving towards an Islamic environment since they believe it will retain their relationship with the creator indirectly. By having an Islamic environment, customers feel more confident with the types or product ranges sold in the store. The current retail environment shows that most retailers try to create their own style of business such as the use of Arabic words in store signs, the use of Islamic colors in the store and also the attire of the workers [12]. Muslim consumers in Malaysia prefer Islamism to conventional business environments. After all, an Islamic image does play a role and effect patrons' behavior. Additionally, Muslim consumers are more concerned towards Islamic culture which will change contemporary lifestyles [16].

In conclusion, the findings of the study stressed that an Islamic image can be considered as one of the key attributes that attract Muslim consumers to patronize a store and retailers must realize that an Islamic cultural orientation or Islamic image affects the behavior of the Muslim people in choosing the store; this has been proven by previous research which highlights the importance of creating an Islamic cultural orientation in the business [24] in attracting customer attention.

Future research in this area need to be further explore by the other researcher. This is because there are some limitations in this study such as, this study are done in several state of Malaysia and only involved Muslim consumers. Comparative religiosity is also very interesting area to be further investigated. Other than that, this study can be expanding to others types of retail store which introducing religious approach.

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